

THE INSURANCE CHRONICLE

MUNICIPAL FIRE INSURANCE.

The Hamilton board of control have been discussing the insurance of civic buildings, insured for approximately \$500,000, exclusive of public schools. The annual premiums amount to \$2,229. The total premiums, including those on the schools, would amount to about \$5,000 per annum. During the past ten years the fire loss on city buildings has been approximately \$9,000. One comptroller favored the discontinuance of paying premiums to the insurance companies and establishing a sinking fund instead, the fund to be composed of the annual premiums which would otherwise have been paid.

The discussion showed ignorance of underwriting principles. For instance, a high dignitary stated that several United States companies were securing the best local risks and making big money. It is well known by those who have studied the official government figures relating to insurance that instead of a profit being made by the insurance companies transacting business in Canada, the statistics for forty years show that an actual loss of \$14,427 was sustained during that period. The same gentleman was also impressed with the fact that the insurance companies constituted a combine—a popular, glib and unproved assertion. The extraordinary argument was put forward that \$9,000, representing the insurance which has been received in ten years, is a small amount in view of the annual premiums. In other words, Hamilton apparently places no value upon protection afforded during the twelve months of every year which the insurance premiums cover, while the Hamilton value of fire insurance is based upon what is actually received in cash from the insurance companies as a result of fire losses.

How adequate would Hamilton's municipal insurance fund prove in the event of a disastrous conflagration involving millions of dollars in losses? No city is absolutely fireproof. The conflagration hazard is continually present, and the function of the fire insurance company is to provide for that risk at scientific rates based on universal experience. Hamilton will do well to dismiss the proposed scheme of municipal insurance, which has been tried elsewhere, and has invariably proved a costly failure.

OF THE TORONTO INSURANCE INSTITUTE.

The Insurance Institute of Toronto has held its closing meeting for the current season. Next month the future policy of this successful organization will be discussed. One of the problems is to formulate a programme for next winter's session which will bring fire, life, accident, casualty and other insurance men together at every meeting. That those interested in individual branches of underwriting shall meet as sections at different dates is one unofficial suggestion. While this has an advantage in securing the attendance of particular groups of the Institute, it does away with the admirable phase of underwriters generally meeting together.

The conduct of the Institute has for many years been in capable hands and with room for very little criticism. The early hour of the meetings allows the evening from eight o'clock to be followed at will by the individual, an excellent feature which might well be imitated by similar bodies. The difficulty of interesting at one meeting, life, fire, accident and other underwriters has been partly overcome by a programme of varied nature. That the obstacle apparently has not entirely been removed is noticeable from a study of the attendance figures.

Three sections are frequently found to provide a pleasant evening for business men, young and old—food for the mind, food for the inner man and food for the lighter vein. The first can be obtained by a continuance of the valuable series of papers read to the Institute each season. The officers have seen to it usually that something is given for the benefit of all present. In this connection two suggestions may help the welfare of the Institute. The first is that speakers who promise to address the gathering on a certain date will make a special point of doing so. Their failure disorganizes the make-up and, therefore, the general attractiveness of the programme. Again, extremely technical papers, while of great value for publication in the official Proceedings, are not always suitable for reading at full length, especially to a gathering composed of men interested in various departments of insurance. Certain statistical and purely technical features of such addresses might well be omitted in delivery to the Institute, at the same time taking their proper place in the published proceedings. This point will readily be conceded. Food for the inner man is already provided and it is a question for divers tastes whether or not a little musical entertainment between times would add to the attractiveness of what are already very successful gatherings.

SOVEREIGN LIFE CHANGES

The Sovereign Life Assurance Company has had a house-cleaning and the efforts made by the new officers and directorate to make this company indisputably sound and substantial, will receive the commendation of the public and insurance circles. The adjourned annual meeting was concluded last week. Dr. H. J. Meiklejohn is now general manager and has recently devoted considerable time to organizing the Western field. Mr. A. E. Dymont is the new president, and is well and favorably known in Canadian finance.

An examination of the company's financial position has been made by Mr. Sidney H. Pipe, actuary, and Mr. Henry Vigeon, chartered accountant and all doubtful assets have been eliminated in their statement. From this conscientious and vigorous treatment the company has emerged with over \$600,000 of first-class assets, including \$480,730 of municipal bonds and debentures. The following gentlemen were elected directors of the company at the annual meeting: A. E. Dymont, Stephen Noxon, the Hon. Colin H. Campbell, K.C., John McClelland, Wm. Henderson, H. T. Ceperley, James Fisher, K.C., R. R. Scott, Johnson Douglass, Lendrum McMeans, K.C., James Dixon, Thos. Baker, Charles Smith, K.C., and J. D. Montgomery.

BLANKET INSURANCE CHARTER WAS CRITICIZED

The bill to incorporate the Laurentian Insurance Company of Canada with headquarters in Montreal, caused discussion in the Banking and Commerce Committee at Ottawa. The company asked for authority to transact fire, marine, accident, sickness, liability, burglary, glass, automobile and other kinds of insurance business. Mr. Emerson objected to such a blanket charter and thought the company should specify exactly what business it proposed to do.

Mr. Fitzgerald, superintendent of insurance, in answer to Mr. A. Wainwright, who appeared for the bill, stated that while it was true similar bills had been passed such practices opened the door to the peddling of charters. Finally the bill was passed on the understanding that before it goes to the House some three classes of insurance sought must be cut out. Before commencing marine insurance \$250,000 must be subscribed and \$75,000 paid up.

There being an increase of fires in Quebec, Que., due to electric wiring, the Canadian Fire Underwriters Association passed new regulations in regard to the reinstallation of same. These regulations were discussed at conference held at the Board of Trade rooms this week, when Mr. P. M. Wickham, Chairman of the Electrical Committee of the Association, and Mr. James Bennett, Chief Inspector, met delegations of the City Council and of the Board of Trade and explained the reasons governing the Association in its action.